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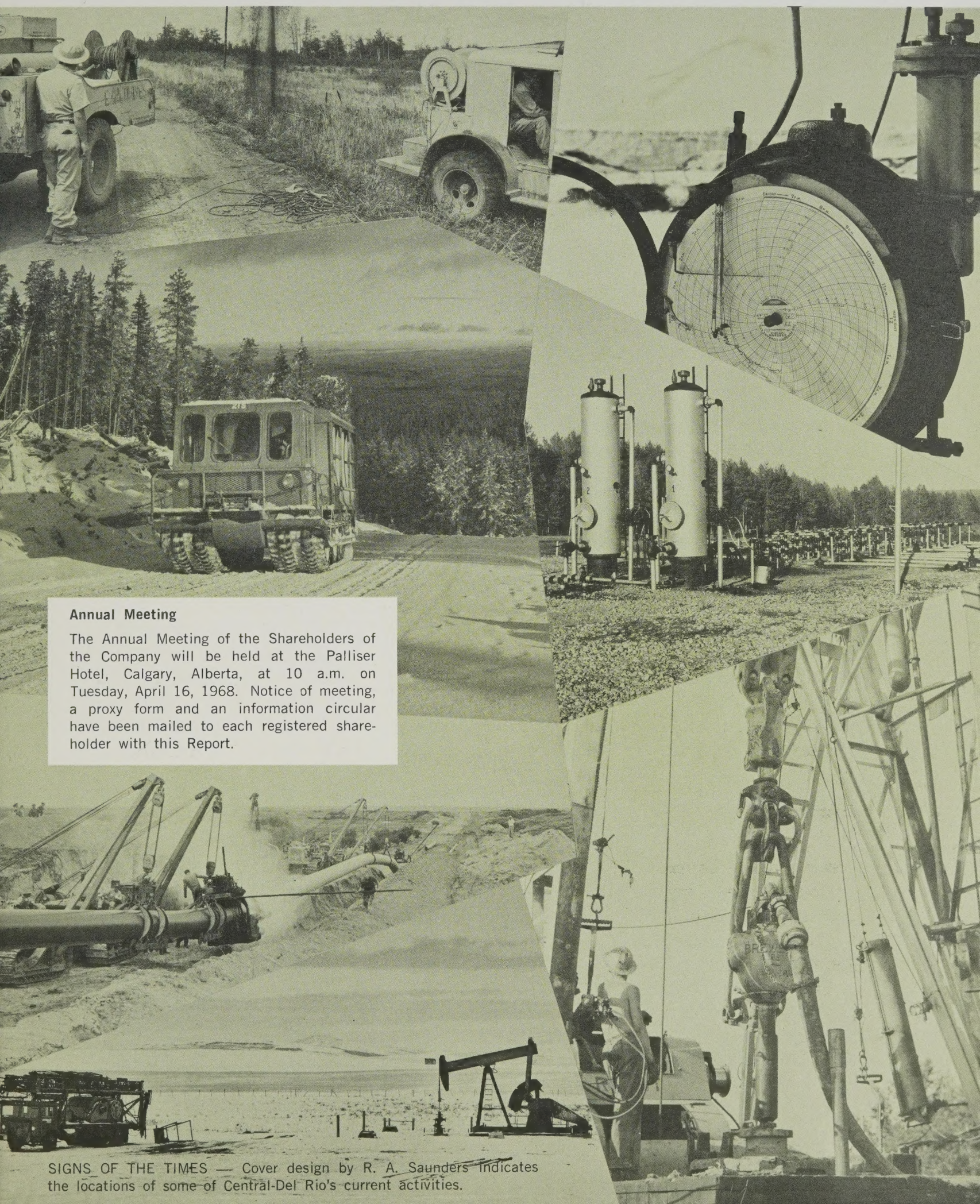
CENTRAL-DEL RIO OILS LIMITED
21ST ANNUAL REPORT 1967



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CENTRAL-DEL RIO OILS LIMITED • 21ST ANNUAL REPORT 1967



Annual Meeting

The Annual Meeting of the Shareholders of the Company will be held at the Palliser Hotel, Calgary, Alberta, at 10 a.m. on Tuesday, April 16, 1968. Notice of meeting, a proxy form and an information circular have been mailed to each registered shareholder with this Report.

SIGNS OF THE TIMES — Cover design by R. A. Saunders Indicates the locations of some of Central-Del Rio's current activities.

CENTRAL-DEL RIO OILS LIMITED

Two-Year Comparative Summary

Financial

	1967	1966
Income	\$ 9,589,107	\$10,206,845
Cash generated	\$ 6,648,081	\$ 7,234,855
Per share	99c	\$ 1.10
Net profit	\$ 3,816,757	\$ 4,077,899
Per share	57c	62c
Cash dividends paid	\$ 1,743,223	\$ 1,515,781
Per share	26c	23c
Shareholders' investment	\$43,099,933	\$39,931,616
Rate of return	9.56%	10.96%
Working capital	\$ 2,357,157	\$ 3,593,651
Expenditures on lands, exploration and development	\$ 6,568,116	\$ 6,520,632

Operating

Net oil sales — barrels	3,647,354	3,843,505
Daily average — barrels	9,993	10,530
Exploratory wells drilled	46	34
Successfully completed	10	3
Development wells drilled	8	23
Successfully completed	7	18
Net oil wells owned	197.59	196.09
Net gas wells owned	13.32	10.31
Net land holdings — acres	2,866,755	3,137,389

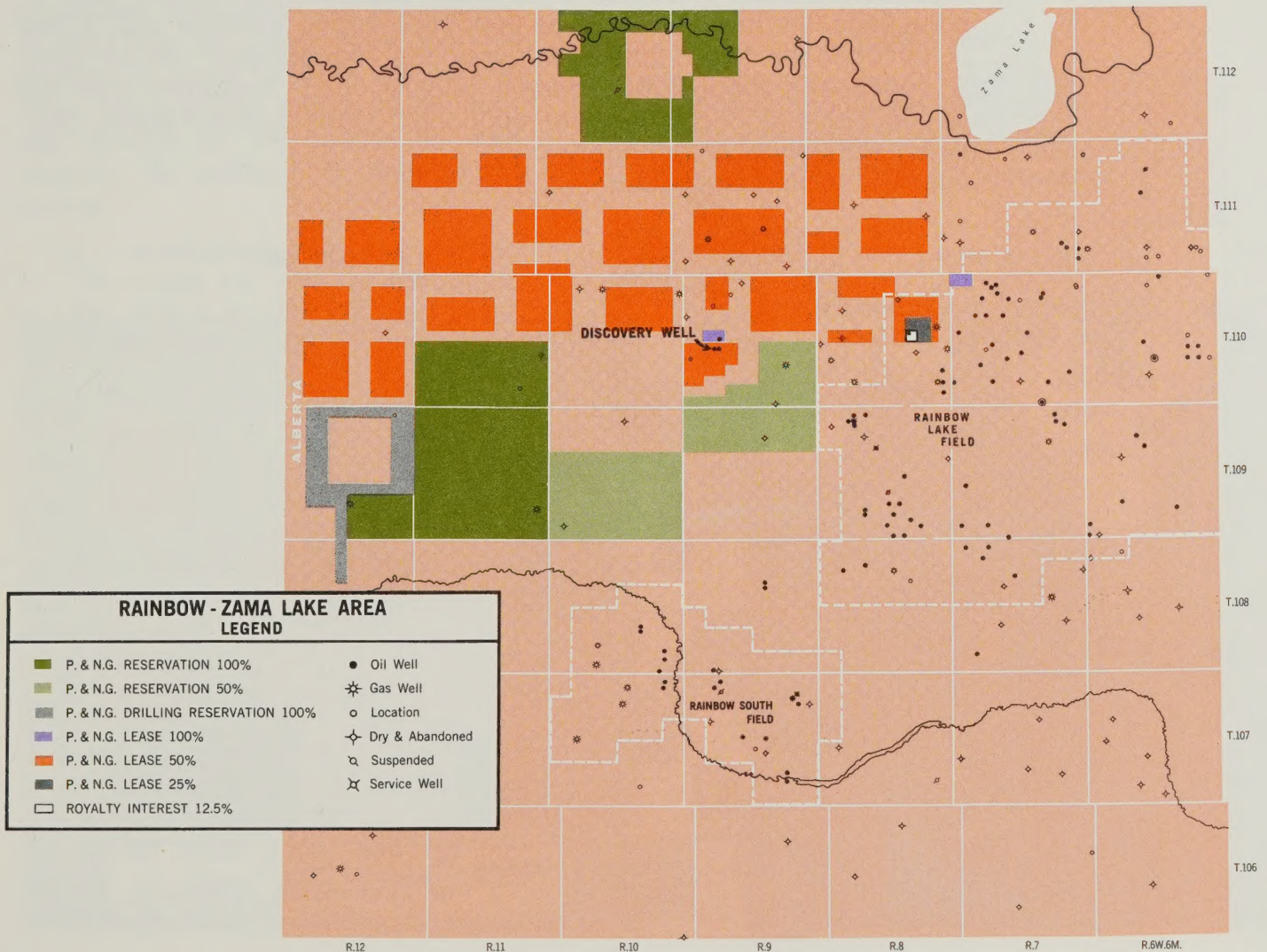
Directors' Report to the Shareholders

The most significant feature of Central-Del Rio's activities in 1967 was the success achieved in exploratory drilling. Oil and natural gas discoveries in the Rainbow-Zama Lake area of northwestern Alberta and oil discoveries at Tatagwa, Beaubier and Elswick, in southeastern Saskatchewan, added substantially to the Company's reserves after allowance for the year's production, paving the way for future growth of oil sales and revenue. From the production and financial points of view, the year was second only to 1966 in our 21 years of operation.

Exploration and Development

CDR drilled or participated in the drilling of a total of 46 wildcat wells in 1967, 12 more than in 1966. Ten of these were successful, resulting in the completion of 6 oil wells and 4 gas wells. One of the new oil wells also found natural gas in a zone above the oil producing formation. One exploratory well, commenced in 1967, had not reached total depth at the year-end.

The most important of the oil discoveries was Banff CDR Black Creek Rainbow 11-17, but the successes in IOE CDR Tatagwa 15-29, CDR Mobil Beaubier 3-20 and CDR FPC Elswick 4-32 are significant. All of these strikes came late in the year and had little effect on the Company's 1967 crude oil



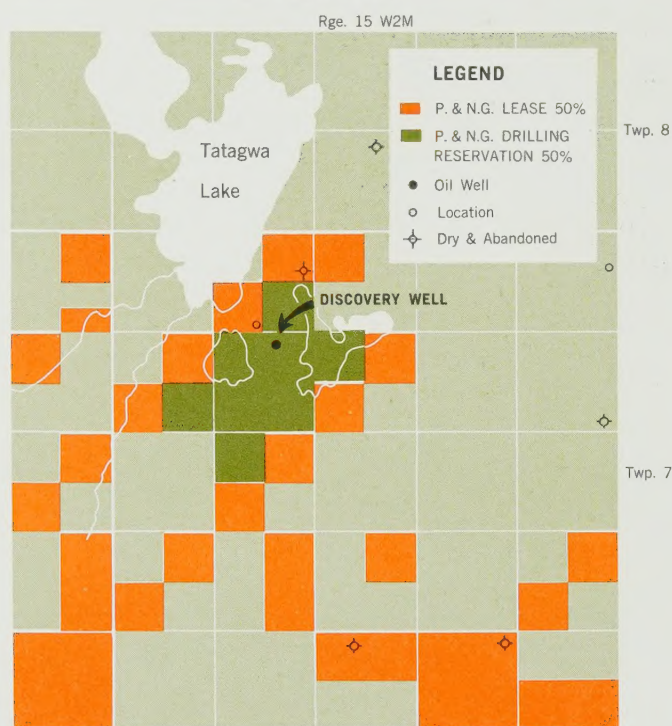
output. At Black Creek, where Central-Del Rio has a 50% interest in two excellent Keg River reef oil wells, mentioned in our third quarter report, and a 100% interest in another now in the process of completion, pipeline connections and oil hauling were hampered by bad weather. The Tatagwa and Beaubier wells were not completed for production until early 1968.

The discovery at Tatagwa, in which CDR owns a 50% interest, is located about 10 miles northwest of the Weyburn oil field, in southeastern Saskatchewan. It is a flowing well, producing at a rate in excess of 150 barrels of oil per day from the Midale beds of Mississippian age. The Company and its associate in this project hold a solid block of land surrounding the well and are planning further development.

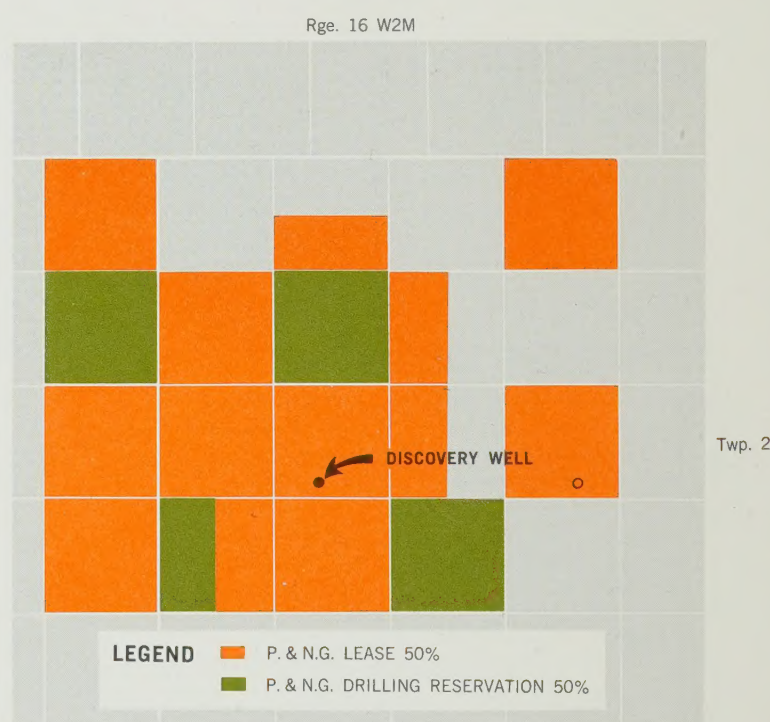
The oil producing horizon in the Beaubier well, owned to the extent of 50% by Central-Del Rio, is Ordovician, more than 10,000 feet below surface. This is the second successful Ordovician oil well in Saskatchewan. The first, which is still on production, was drilled by CDR 5 years ago at a location near Lake Alma, approximately 7 miles to the southwest of the new discovery and 90 miles south of the City of Regina. The Company is in a strong lease position around and between the two wells.

Output from the Lake Alma Ordovician well, while economic, has not been sufficiently profitable to warrant further development of the pool at the relatively high cost of drilling to the depth required; but, on the basis of initial tests, the Beaubier well may be a more prolific producer and, if this is confirmed by future production experience, consideration will be given to additional drilling on our adjacent land holdings. Production from the Beaubier well will be royalty-free until 1970 under Saskatchewan's deep test drilling incentive legislation.

TATAGWA AREA



BEAUBIER AREA



The importance of the Beaubier discovery cannot be judged only on its productive capacity or the reserves which it taps. Like the Lake Alma Ordovician well and the nearby Hummingbird Devonian oil discovery of 1966, it indicates the likelihood that large oil reserves will ultimately be developed in zones below the Mississippian in Saskatchewan. This may well stimulate exploration, as did the Mississippian well, drilled in 1952 by CDR, which found Saskatchewan's first commercial light gravity oil production. That well was only a small producer, but exploration following it has resulted in the discovery of more than a billion barrels of oil in the southeastern sector of the Province, including the reserves at Weyburn, Saskatchewan's largest oil field, also discovered by Central-Del Rio.

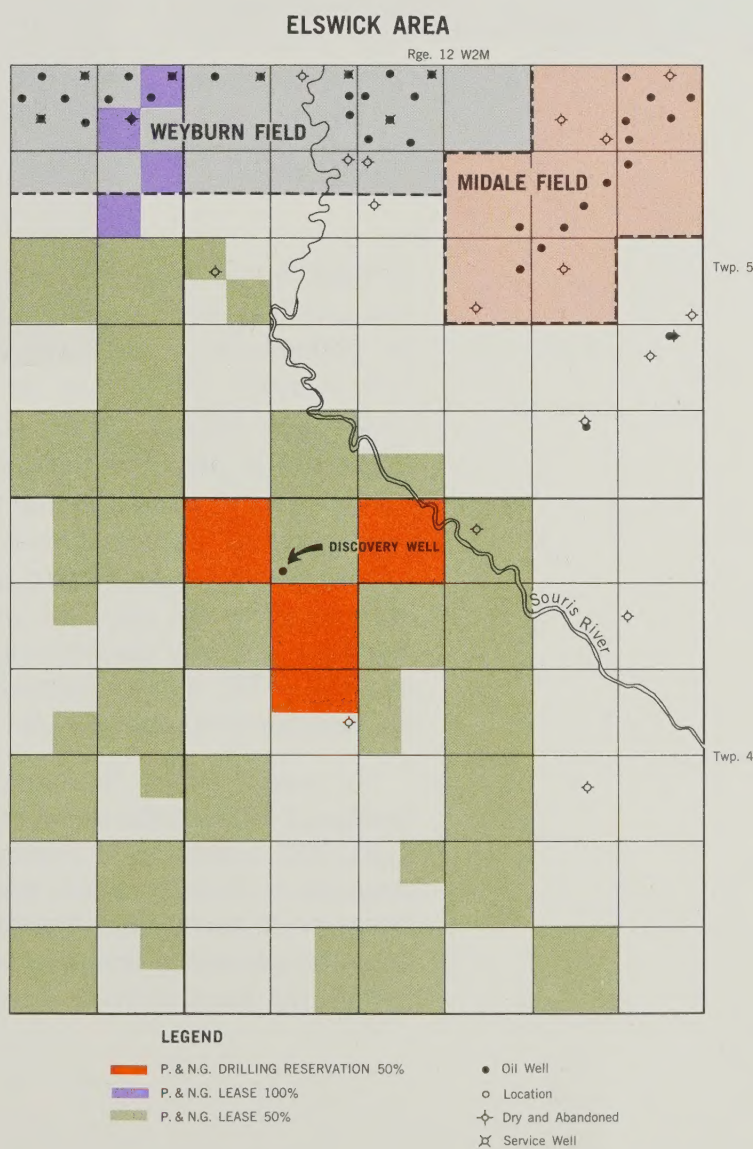
At Elswick, approximately 5 miles south of the eastern end of the Weyburn field, CDR and an associate have completed a good Midale oil well on a block of land in which the Company holds a 50% interest and which, it is anticipated, will provide the team with several locations for 1968 development drilling.

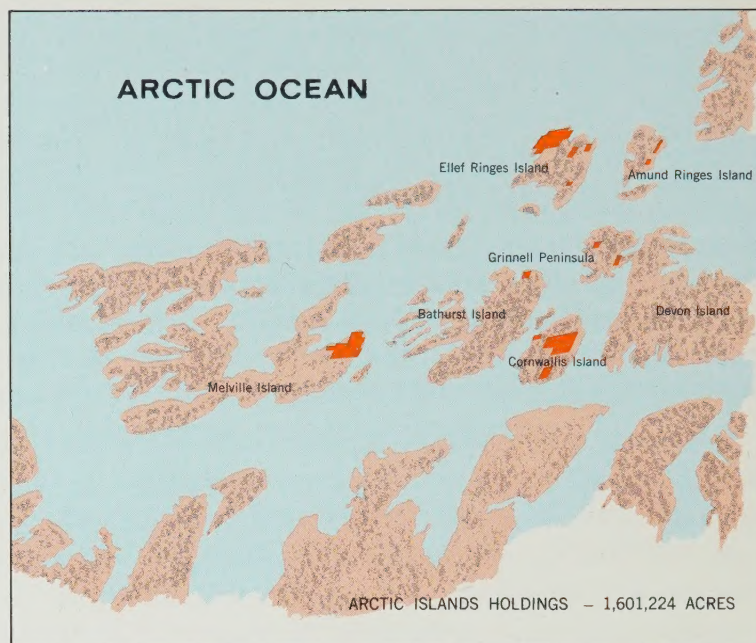
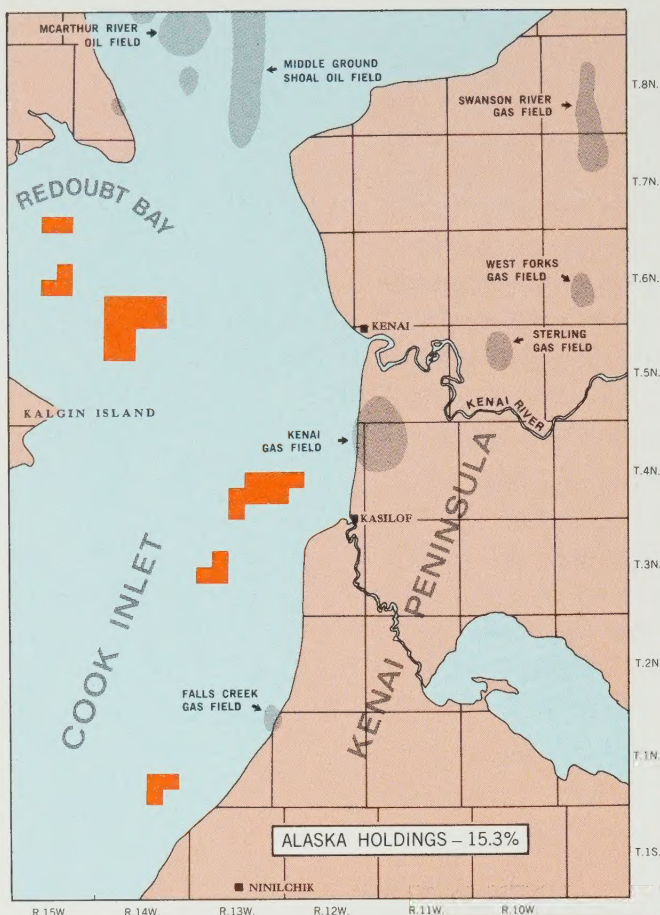
While expanding its wildcat drilling program, the Company also completed more seismic and other exploratory work than it did in 1966, bringing a number of attractive new drilling prospects to light. The \$6,568,116 cost of land acquisition, exploration and development in 1967 was not much more than the \$6,520,632 spent for those purposes in 1966, but a greater portion of the total was devoted to the search for new reserves, as opposed to development drilling.

Eight development wells were drilled by CDR during the year, as against 23 in 1966, and 7 of them were completed for oil production.

Land

Although numerous changes were made in the Company's acreage portfolio in 1967 in a continuing process designed to upgrade overall holdings and improve exploration and development prospects, the net effect, in terms of the amount of land held, was slight, except as to properties in the Northwest Territories. During the year, CDR secured commitments from another company for a joint exploration venture on its extensive Mills Lake and Horn Mountain lands, near Great Slave Lake, and our net interest in them was reduced from 604,233 to 336,876 acres.





LAND HOLDINGS				
As at December 31, 1967				
Province, Territory or State	Gross Acreage	Net Under Lease	Net Under Reservation	Net Acreage
Alberta	734,207	126,708	423,564	550,272
Arctic Islands	1,601,224	—	447,013	447,013
British Columbia	365,427	90,935	114,832	205,767
Northwest Territories	789,346	—	336,876	336,876
Ontario	44,841	22,363	—	22,363
Saskatchewan	1,387,767	202,212	1,069,641	1,271,853
Alaska	20,413	3,123	—	3,123
Louisiana	3,898	537	—	537
Montana	2,986	1,493	—	1,493
New Mexico	2,306	546	—	546
North Dakota	44,508	26,912	—	26,912
	4,996,923	474,829	2,391,926	2,866,755

In 1967, Central-Del Rio undertook its first offshore oil venture, which is also its first project in Alaska, by joining in the purchase, at a government sale, of 20,413 lease acres in Cook Inlet (3,123 net to CDR). This acquisition was based on seismic information which has since been supplemented by further work. Oil production in the area has been building up at a considerable rate over the past few years and a number of well locations have been made by other companies near our land blocks. The operator of the acreage in which CDR has an interest is now approaching others with holdings in the vicinity with a proposal for the drilling of a joint venture well on our lands.

For several years, the Company has owned interests in a number of large blocks of land in the Canadian Arctic Islands. These holdings, which total 1,601,224 gross acres (447,013 net to CDR), have been farmed out to Panarctic Oils Ltd., which has recently announced a \$20-30 million 5-year program of surface geological work, seismic exploration and drilling in the area, to commence this winter. At least one deep test well will be drilled on Central-Del Rio's Melville Island acreage under the terms of our agreement.

At the year-end, as the accompanying table shows, the Company owned 4,996,923 gross acres of petroleum and natural gas rights, netting 2,866,755 acres after deduction of interests of associates. Comparative figures for December 31, 1966 are 4,949,226 acres gross and 3,137,389 acres net.

Wells and Production

Several oil wells which had ceased to produce or had reached levels of profitability below what Central-Del Rio considers acceptable were abandoned or sold in 1967. Because of this, the Company's net working interest oil well holdings increased only slightly, totalling 197.59 at the end of the year under review, as compared with 196.09 at December 31, 1966. Net gas well ownership rose from 10.31 to 13.32 during the year. At the year-end, in addition to its working interests, CDR owned royalty interests in 48 oil wells, up 5 from December 31, 1966. Gas well royalty interests remained at 3.

Central-Del Rio's net crude oil sales in 1967 totalled 3,647,354 barrels, as compared with 3,843,505 barrels in 1966. The daily averages for the two years were 9,993 and 10,530 barrels, respectively. As mentioned earlier, production from several new wells drilled in 1967 began either near the end of the year or early in 1968, too late to offset a reduction in output from the Weyburn and Flat Lake fields. The Rainbow wells alone are now more than capable of making up the difference between total daily average output in 1966 and 1967.

Unitization and pressure maintenance by waterflood will soon be in effect at Flat Lake, and the flood is expected to result in increased production from that field, commencing in 1969. The field straddles the Canada-U.S. boundary, and pressure maintenance is also being instituted by owners on the American side in a cooperative project which will be of mutual benefit.

Financial

Net profit for the year was \$3,816,757, as compared with \$4,077,899 in 1966. The 1967 profit includes a refund of \$17,820 income tax overpaid for 1965. Per share earnings on the 6,742,321 shares outstanding at December 31, 1967 amounted to 57 cents, as against 62 cents in the previous year (6,603,654 shares). Tax-deductible costs of land acquisition, exploration and development were more than sufficient to offset 1967 earnings and eliminate income tax liability for the year.

Semi-annual dividends of 11 cents per share were paid in June and December, and an extra 4-cent per share distribution accompanied the regular December payment, raising dividends for the year to 26 cents per share, 3 cents more than the 1966 total. Payments in 1967 aggregated \$1,743,223, as against \$1,515,781 in the previous year. In computing income tax, Canadian shareholders may claim the maximum 20% rate of depletion allowance on these dividends.

Crude oil sales in the twelve-month period, net to CDR after royalties, brought in \$8,474,294, while miscellaneous revenues, including a \$100,000 dividend received from Minerals Ltd., an affiliated oil company, accounted for the \$1,114,813 balance of the Company's total income of \$9,589,107 for the year. The 1966 gross was \$10,206,845, made up of \$9,035,690 from oil sales and \$1,171,155 from other sources.

Production and field expenses were reduced by \$83,326 in 1967, while administrative and general expenses were up by the lesser amount of \$52,362, resulting in a net decrease in the total cash expense of carrying on business. This saving, which reversed a trend of several years' duration, was realized during a period of generally rising costs.

Cash generated from operations in 1967 was \$6,648,081, or 99 cents per share, which may be compared with the \$7,234,855 or \$1.10 per share, recorded in the previous year.

General

In 1967, Central-Del Rio joined others in the oil industry in making strong representations to government in opposition to the recommendations of the Carter Royal Commission on Taxation, with particular reference to the proposals for withdrawal of the depletion allowance on income from oil and other mineral production and the imposition of a capital gains tax. While it is still not known what, if any, legislative action will be based on the Report, it now appears likely that there will not be any drastic change in the present income tax system.

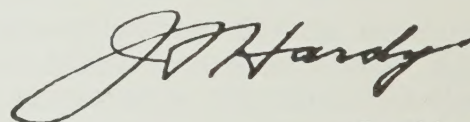
The prospect of new and enlarged markets for Canadian crude oil improved considerably with the approval, early in 1968, of a plan for the construction this year of a 34-inch pipeline spur connecting the Interprovincial system with Chicago. This will be followed by an extension to Sarnia in 1969, improving access to refineries at Toledo and Detroit.

Late in the year, CDR diversified its operations by entering into an agreement with a British Columbia based mining company under which exploratory drilling has just been started on a copper prospect in the Yukon Territory. The work is being done by United Pemetex Ltd., a private company which owns the claims and is controlled by Central-Del Rio. Our interest is now slightly more than 50% and may be increased under options which will be exercised if drilling results are favorable. Preliminary work done on the ground last fall turned up good copper values. The property, a block of 224 claims covering an area of 15 square miles, is located in the White River region, 20 miles southwest of Mile 1168 on the Alaska Highway.

The Company's exploratory activities will be continued through 1968 at about the same level as in the previous two years. Oil production and income are expected to show good increases.

Central-Del Rio's staff continued in 1967 to deliver the high standard of work to which we have become accustomed over the years. Their efforts, interest and loyalty are greatly appreciated by all members of the Board and Management.

On behalf of the Board of Directors,



President

Calgary, Alberta
March 1, 1968

CENTRAL-DEL RIO OILS LIMITED

Consolidated Statement of Profit and Loss

For the Year ended December 31, 1967

(with comparative figures for 1966)

	1967	1966
Income:		
Crude oil sales, less royalties	\$ 8,474,294	\$ 9,035,690
Other – fees, investment and miscellaneous . .	1,114,813	1,171,155
	<u>9,589,107</u>	<u>10,206,845</u>
Expenses:		
Production and field	1,929,656	2,012,982
Administrative and general	1,011,370	959,008
	<u>2,941,026</u>	<u>2,971,990</u>
Cash generated from operations, before income taxes	<u>6,648,081</u>	<u>7,234,855</u>
Depletion	2,139,431	2,535,456
Depreciation	709,713	621,500
	<u>2,849,144</u>	<u>3,156,956</u>
Operating profit, before income taxes	<u>3,798,937</u>	<u>4,077,899</u>
Refund of income taxes (Note 4)	17,820	–
Net profit	<u><u>\$ 3,816,757</u></u>	<u><u>\$ 4,077,899</u></u>

Consolidated Statement of Surplus

Balance, beginning of year	\$12,144,628	\$ 9,582,510
Add – Net profit	3,816,757	4,077,899
	<u>15,961,385</u>	<u>13,660,409</u>
Less – Cash dividends of 26c per share (1966 – 23c per share)	1,743,223	1,515,781
Balance, end of year	<u><u>\$14,218,162</u></u>	<u><u>\$12,144,628</u></u>

The accompanying notes to consolidated financial statements form an integral part of these statements

**CENTRAL****Consolidated Balance Sheet**

(with comparative)

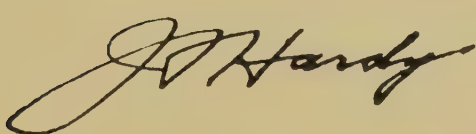

Assets		
	1967	1966
Current Assets:		
Cash	\$ 56,586	\$ 139,122
Accounts receivable	2,078,569	2,394,224
Short term investments	1,700,000	2,600,000
Marketable securities, at cost (quoted market value 1967 - \$615,250, 1966 - \$481,676)	406,645	419,257
Inventory of materials and supplies, at cost	195,598	153,678
Prepaid expenses	43,308	7,307
	<u>4,480,706</u>	<u>5,713,588</u>
Drilling, Reservation and Other Deposits	189,645	148,057
Fixed Assets, at cost:		
Lands, leases and well costs	48,887,758	42,685,688
Plant and equipment	8,136,362	7,786,164
	<u>57,024,120</u>	<u>50,471,852</u>
Less - Accumulated depletion and depreciation	17,295,209	15,106,164
	<u>39,728,911</u>	<u>35,365,688</u>
Investment in Affiliated Company, at cost:		
Minerals Ltd.	688,306	688,306
Other Investments, at cost	135,914	135,914
	<u>\$45,223,482</u>	<u>\$42,051,553</u>

The accompanying notes to consolidated financial statements form an integral part of this statement

EL RIO OILS LIMITED

et – December 31, 1967

figures for 1966)

Liabilities			
		1967	1966
Current Liabilities:			
Accounts payable		\$ 1,966,785	\$ 1,923,647
Accrued wages and holiday pay		17,507	17,471
Royalties payable		139,257	178,819
		<u>2,123,549</u>	<u>2,119,937</u>
Shareholders' Investment:			
Capital stock –			
Authorized –			
10,000,000 shares without nominal or par value			
Issued and fully paid – (Note 3)			
6,742,321 shares (December 31, 1966,			
6,603,654 shares)		28,881,771	27,786,988
Surplus, as per consolidated statement of surplus .		14,218,162	12,144,628
		<u>43,099,933</u>	<u>39,931,616</u>
Approved on behalf of the Board:			
 Director			
 Director			
		<u>\$45,223,482</u>	<u>\$42,051,553</u>

The Auditors' Report is attached to this Balance Sheet

CENTRAL-DEL RIO OILS LIMITED

Consolidated Statement of Source and Application of Funds

For the Year ended December 31, 1967

(with comparative figures for 1966)

	1967	1966
Source of funds:		
Cash generated from operations, before		
income taxes	\$6,648,081	\$7,234,855
Add – Refund of income taxes	17,820	—
	<u>6,665,901</u>	<u>7,234,855</u>
Proceeds from issue of capital stock	1,094,783	180,331
	<u>\$7,760,684</u>	<u>\$7,415,186</u>
 Application of funds:		
Capital expenditures:		
Lands, leases and well costs	\$6,568,116	\$6,520,632
Plant and equipment	644,251	840,754
	<u>7,212,367</u>	<u>7,361,386</u>
Increase in drilling, reservation and other deposits	41,588	39,071
Payment of dividends	1,743,223	1,515,781
Decrease in working capital	(1,236,494)	(1,501,052)
	<u>\$7,760,684</u>	<u>\$7,415,186</u>

The accompanying notes to consolidated financial statements form an integral part of this statement

CENTRAL-DEL RIO OILS LIMITED

Notes to Consolidated Financial Statements

December 31, 1967

NOTE 1 — Accounting Practices:

The companies follow the full cost method of accounting and capitalize all costs of exploring for and developing oil and gas reserves. Such costs include lease acquisition costs, geological and geophysical expenditures, lease rentals on non-producing properties and costs of drilling both productive and non-productive wells. These costs are amortized using a composite unit of production method based on the total estimated remaining recoverable drilled proven reserves. No gains or losses are ordinarily recognized upon the sale or disposition of oil or gas properties except under circumstances which result in major disposals of reserves.

Costs of plant and equipment are depreciated over the estimated service life of each group of assets.

NOTE 2 — Share Options Outstanding:

Options were outstanding at December 31, 1967 granting certain officers and employees the right to purchase 36,116 shares of the company at prices ranging from \$7.50 to \$19.70 per share. The options are exercisable from time to time on a cumulative basis and expire in the years 1969 to 1972.

NOTE 3 — Capital Stock Issued:

During the year 138,667 shares of the capital stock of the company were issued under share option plans for a cash consideration of \$1,094,783.

NOTE 4 — Income Taxes:

For purposes of determining taxable income, the companies claim the maximum allowable deductions for lands, leases and well costs, depreciation and depletion, which deductions are in excess of those charged in the accounts. As a result no income taxes are payable for the year ended December 31, 1967.

NOTE 5 — Executive Remuneration:

Remuneration paid to directors and officers during 1967 amounted to \$225,906.85.

NOTE 6 — Lease Commitments:

The companies' office premises are leased at an annual rental of \$70,200 under an agreement expiring in 1973, with an option to renew for a further five years.

Auditors' Report

TO THE SHAREHOLDERS OF CENTRAL-DEL RIO OILS LIMITED:

We have examined the consolidated balance sheet of Central-Del Rio Oils Limited and its subsidiary company as at December 31, 1967 and the consolidated statements of profit and loss, surplus and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

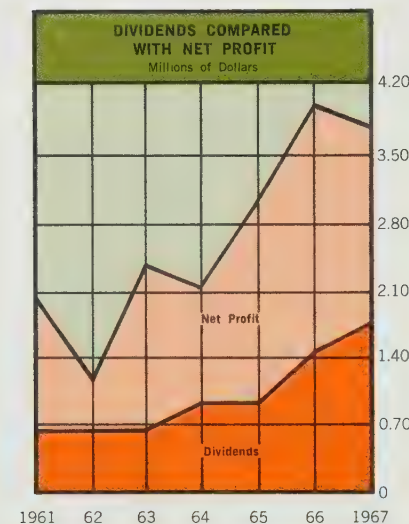
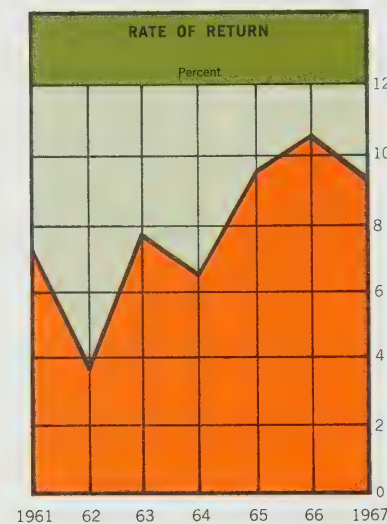
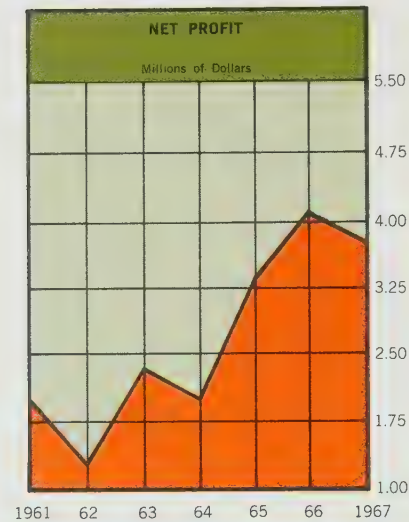
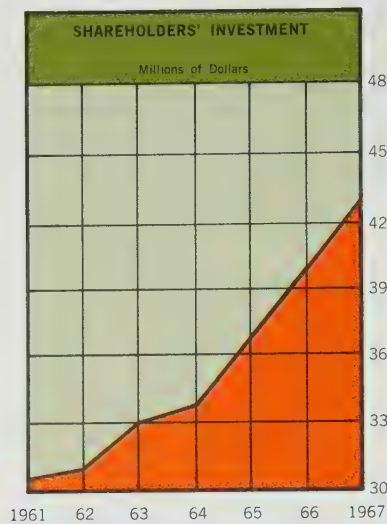
In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 31, 1967 and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Calgary, Alberta
February 22, 1968

PRICE WATERHOUSE & CO.
Chartered Accountants

CENTRAL-DEL RIO OILS LIMITED

Seven-Year Statistical Review (Note)



Financial

	1967
Net oil sales income	\$ 8,474,294
Other income	\$ 1,114,813
Total income	\$ 9,589,107
Production and field expense	\$ 1,929,656
Administrative and general expense	\$ 1,011,370
Cash generated from operations, before income taxes	\$ 6,648,081
Per share	\$ 0.99
Depletion	\$ 2,139,431
Depreciation	\$ 709,713
Income taxes	\$ (17,820)
Net profit	\$ 3,816,757
Per share	\$ 0.57
Cash dividends paid	\$ 1,743,223
Per share	\$ 0.26
Working capital	\$ 2,357,157
Plant, equipment and properties — net	\$39,728,911
Other assets	\$ 1,013,865
Shareholders' investment	\$43,099,933
Per share	\$ 6.39
Ratio of current assets to current liabilities	2.11
Net profit as a percentage of shareholders' investment at Jan. 1	9.56
Net profit as a percentage of total income	39.80
Cash generated as a percentage of total income	69.52
Operating expenses as a percentage of total income	30.48
Number of shares outstanding	6,742,321
Number of shareholders	6,889
Expenditures on plant and equipment	\$ 644,251
Expenditures on lands, exploration and development	\$ 6,568,116

Operating

Net oil sales — barrels	3,647,354
Daily average — barrels	9,993
Net oil wells	197.59
Net gas wells	13.32
Gross royalty interest wells	51
Gross acreage	4,996,923
Net acreage	2,866,755
Number of employees	127

NOTE —

This Review covers Central-Del Rio Oils Limited and its wholly-owned subsidiary and reflects retroactive adjustments due to the adoption in 1964 of the "full cost" method of accounting. Due to a non-retroactive refinement in 1966 of the Company's accounting policy, under which non-producing property lease rentals are capitalized rather than expensed, such lease rentals for 1965 and prior years are, in the interest of comparability, added to depletion instead of being shown as a separate item.

"Operating expenses" are the total of production, field, administrative and general expenses.

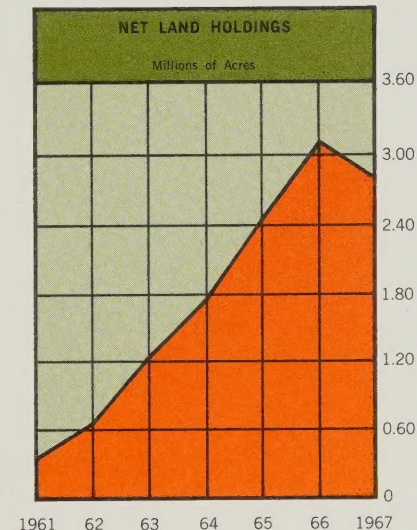
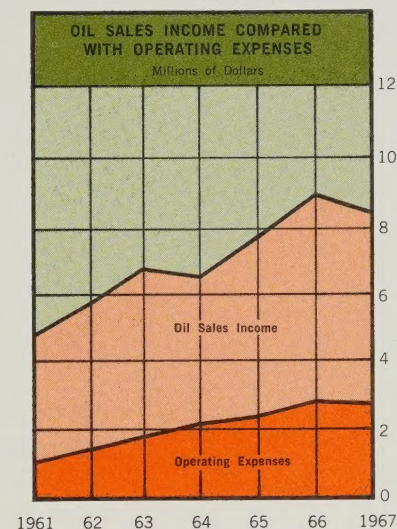
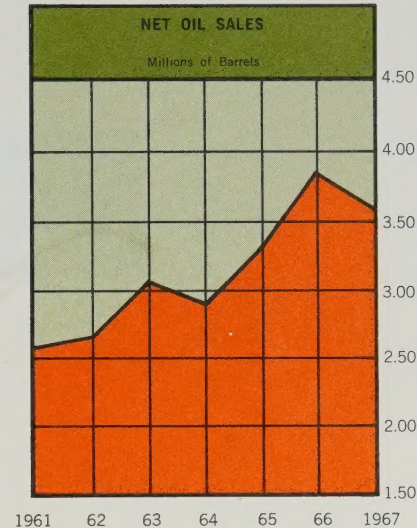
"Net oil sales" are the total number of barrels sold for the Company's account, after deduction of royalty oil.

1966	1965	1964	1963	1962	1961
9,035,690	7,844,781	6,527,647	6,829,625	5,796,433	4,974,326
1,171,155	1,013,585	1,221,302	833,065	475,080	321,964
0,206,845	8,858,366	7,748,949	7,662,690	6,271,513	5,296,290
2,012,982	1,546,211	1,432,233	1,301,749	882,599	631,806
959,008	859,346	792,393	680,558	622,259	419,815
7,234,855	6,452,809	5,524,323	5,680,383	4,766,655	4,244,669
1.10	0.98	0.85	0.88	0.74	0.66
2,535,456	2,399,891	2,651,670	2,567,610	2,404,629	1,504,352
621,500	609,214	458,353	302,470	339,662	403,480
—	498,835	257,009	536,951	864,045	280,146
4,077,899	3,277,704 *	2,157,291	2,273,352	1,158,319	2,056,691
0.62	0.50	0.33	0.35	0.18	0.32
5,515,781	978,745	977,282	648,504	644,672	643,092
0.23	0.15	0.15	0.10	0.10	0.10
3,593,651	5,094,703	4,582,886	4,877,119	6,353,303	5,941,921
3,365,688	31,161,258	28,925,590	27,268,618	24,026,441	23,884,115
972,277	933,206	872,652	910,352	937,777	853,752
9,931,616	37,189,167	34,381,128	33,056,089	31,317,521	30,679,788
6.05	5.65	5.28	5.10	4.84	4.77
2.70	3.37	4.68	2.56	5.69	9.54
10.96	9.53	6.53	7.26	3.78	7.06
39.95	35.66	27.84	29.67	18.47	38.83
70.88	72.84	71.29	74.13	76.00	80.14
29.12	27.16	28.71	25.87	24.00	19.86
603,654	6,580,324	6,515,215	6,487,084	6,465,415	6,435,469
6,443	5,728	6,190	7,709	7,257	6,673
840,754	855,481	830,787	2,082,163	241,307	237,455
5,520,632	4,389,292	3,491,235	3,623,329	2,317,103	1,226,547
843,505	3,370,055	2,855,465	3,107,815	2,730,476	2,587,242
10,530	9,233	7,802	8,515	7,481	7,088
196.09	183.00	167.60	162.85	158.80	156.60
10.31	9.95	8.02	7.75	4.50	2.65
46	48	39	31	25	21
949,226	4,337,925	3,716,949	3,039,755	1,201,544	785,099
1,137,389	2,522,589	1,762,990	1,224,349	658,408	355,600
133	124	113	113	69	63

"Net oil wells" and "Net gas wells" are the total of all entire and fractional interests in wells the production from which is owned or partly owned by the Company, including wells converted to water injection and still capable of being converted to production, but excluding wells contributed by others to units in which the Company participates and former producing wells which have been abandoned.

"Gross royalty interest wells" are the total number of wells from which the Company receives cash royalties.

* Includes special item of \$332,835 — gain on sale of marketable securities.





CENTRAL-DEL RIO OILS LIMITED

Head Office: 736 Eighth Avenue South West, Calgary, Alberta

Directors

R. C. CARLILE	<i>Calgary, Alberta</i>
H. G. GAMMELL	<i>Montreal, Quebec</i>
*JOHN F. HARDY	<i>Calgary, Alberta</i>
*M. C. McKINNON	<i>Calgary, Alberta</i>
*NEIL McQUEEN	<i>Calgary, Alberta</i>
H. M. PICKARD	<i>Calgary, Alberta</i>
D. L. REDMAN	<i>Calgary, Alberta</i>
J. C. ROSS	<i>Aden, Alberta</i>
*G. J. van den BERG	<i>Montreal, Quebec</i>

* Member Executive Committee

Officers

NEIL McQUEEN	<i>Chairman of the Board</i>
JOHN F. HARDY	<i>President and General Manager</i>
M. C. McKINNON	<i>Executive Vice President</i>
D. L. REDMAN	<i>Vice President – Project Economics</i>
C. M. MacINNES	<i>Vice President – Administration</i>
W. F. MUGLER	<i>Vice President – Land</i>
A. BARRY BEAVEN	<i>Secretary</i>
V. B. WATSON	<i>Treasurer</i>
W. G. HOLT	<i>Assistant Secretary</i>
W. A. HEATER	<i>Assistant Treasurer</i>

Shares Listed

Calgary Stock Exchange
Montreal Stock Exchange
Toronto Stock Exchange
Vancouver Stock Exchange

Registrar and Transfer Agent

Guaranty Trust Company of Canada
Calgary – Montreal – Toronto – Vancouver

Bankers

The Royal Bank of Canada

Counsel

MacKimmie, Matthews, Wood, Phillips & Smith
Barristers and Solicitors – Calgary, Alberta

Auditors

Price Waterhouse & Co.
Chartered Accountants – Calgary, Alberta



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